

IN RE:   Application of SC Lifeline, Incorporated d/b/a         )  
          ClearTalk for Designation as an Eligible             )  
          Telecommunications Carrier                             )  
   )

**STIPULATION**

WHEREAS, as a result of its investigations, ORS has determined that subject to the provisions set forth below, ClearTalk's request for designation as an ETC should be approved for those wire centers listed in Exhibit C.

WHEREFORE, in the spirit of compromise, the Parties hereby stipulate and agree to the following terms and conditions:

1. ClearTalk is a radio common carrier and wireless service provider offering wireless voice communications and Lifeline services;
2. The Company provides its voice service plans, including a Lifeline plan, through the use of its own facilities;
3. ClearTalk agrees to advertise the availability of Lifeline using media of general distribution;
4. ClearTalk agrees to adopt into this Stipulation the Amended Petition, to comply with the requirements and conditions set out in the petition, and to provide a copy of any revisions or amendments filed with the FCC to ORS and comply with all such terms;
5. ClearTalk has requested ETC designation in the wire centers where it currently has network coverage, as detailed in Exhibit C of the Company's application;
6. The Company has limited its requested USF support to the federal USF low-income support program. ClearTalk certifies that all low-income USF funding it receives will be used to provide a credit to its Lifeline eligible customers, consistent with 47 CFR 54.403;
7. ClearTalk will file testimony in support of this Stipulation;
8. ClearTalk agrees to offer Lifeline credits consistent with the rates, terms, and conditions contained in its rate schedules and website and will publish the availability and the pricing of these same offerings on its website;

9. The Company agrees to only seek direct low-income support from the USF for those lines provided through the use of its own network. Until modified by the Public Service Commission of South Carolina (the “Commission”), ClearTalk agrees to utilize the means test established by the Federal Communications Commission (“FCC”) and set forth in 47 C.F.R. 54.409;

10. ClearTalk agrees to provide Lifeline customers a company funded \$3.50 credit. In the event the Commission, the Federal Communications Commission, or a court of competent jurisdiction issues a decision that a credit of \$3.50 is not required to be provided by ETCs to South Carolina Lifeline customers, the parties agree that this Agreement will be modified to reflect that ruling. The company will also provide a federal lifeline credit of \$9.25 per month to qualifying consumers, consistent with 47 C.F.R. 54.403. Together, the state and federal credits offered in South Carolina will be at least \$12.75, subject to the provisions of this Paragraph;

11. ClearTalk agrees to allow qualifying low-income consumers to apply Lifeline discounts (federal and state) to any residential service plan that includes voice telephone service, including bundled packages of voice and data services; and plans that include optional calling features, such as but not limited to caller identification, call waiting, voicemail, and three-way calling. Eligible telecommunications carriers may also permit qualifying low-income consumers to apply their Lifeline discount to family shared calling plans;

12. ClearTalk agrees that it will abide by all advertising, reporting and verification requirements established by the FCC and the Commission;

13. ClearTalk agrees to file all reports requested by ORS or the Commission, including but not limited to: the “Telecommunications Company Annual Report”, the “Authorized Utility Representative Form”, the “Gross Receipts Form” and the “USF

Worksheet.” All of which may be found on the ORS website at [www.regulatorystaff.sc.gov](http://www.regulatorystaff.sc.gov) in the telecommunications forms section.

14. ClearTalk agrees to file with ORS a certified true copy of its Form 497 filed quarterly with the USAC, including revisions thereto, no later than five (5) calendar days after the Form or revision is filed with USAC;

15. ClearTalk agrees to offer a toll blocking and/or limitation option if toll is included with ClearTalk service. ClearTalk agrees that the company will not seek reimbursement for toll limitation services. The company agrees to provide toll block at no charge to customers seeking the service. Consistent with this provision, the company agrees to block dialing when a Lifeline call is roaming and when such blocking may only be overridden by specific action by the consumer on a per call basis. There are no activation fees or roaming charges for Lifeline customers;

16. ClearTalk agrees that it will not seek Lifeline reimbursement from the Federal Universal Service Fund for resold services provided by an underlying carrier;

17. ClearTalk agrees to implement or to participate in a program for initial certification and annual verification that insures that an eligible Lifeline customer only receives one Lifeline credit per residential address and must conform with 47 C.F.R. 54-410 and with the terms of the Amended Petition attached to and incorporated in this stipulation;

18. ClearTalk agrees to provide E911 compliant handsets to new Lifeline customers and to replace at no charge any non-compliant handsets for its existing customers who are approved as Lifeline customers;

19. If the designations sought herein are granted, ClearTalk will be supporting Universal Service in South Carolina based on its total South Carolina retail end user revenues;

20. ClearTalk agrees to submit a quarterly report to ORS demonstrating the number of Lifeline customers who have been deactivated by ClearTalk during the quarter due to (1) non-payment on their customer account during two consecutive 30-day periods; (2) the customer not passing the annual verification requirement; or (3) the customer voluntarily requesting deactivation;

21. ClearTalk shall comply with all applicable state and federal laws, rules, and regulations regarding ETC designation and reporting requirements;

22. The Company agrees to comply with all orders, directives, guidelines, rules and regulations of the Commission unless the Commission has expressly waived such requirement, rule or regulation. More specifically, ClearTalk agrees to abide by the Commission regulations regarding designation of an ETC found in 26 S.C. Code Ann. Reg. 103-690 as well as requirements set out by the FCC for ETC designation and for participation in the Lifeline program;

23. ORS is charged by law with the duty to represent the public interest of South Carolina pursuant to S.C. Code § 58-4-10 (B) (Supp. 2011). S.C. Code § 58-4-10(B)(1) through (3) read in part as follows:

...‘public interest’ means a balancing of the following:

- (1) concerns of the using and consuming public with respect to public utility services, regardless of the class of customer;
- (2) economic development and job attraction and retention in South Carolina; and
- (3) preservation of the financial integrity of the State’s public utilities and continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.

ORS believes the Stipulation reached among the Parties serves the public interest as defined above;

24. The Parties agree to advocate that the Commission accept and approve this Stipulation in its entirety as a fair, reasonable and full resolution of all issues in the above-captioned proceeding and that the Commission take no action inconsistent with its adoption. The Parties further agree to cooperate in good faith with one another in recommending to the Commission that this Stipulation be accepted and approved by the Commission. The Parties agree to use reasonable efforts to defend and support any Commission order issued approving this Stipulation and the terms and conditions contained herein;

25. The Parties represent that the terms of this Stipulation are based upon full and accurate information known as of the date this Stipulation is executed. If, after execution, either Party is made aware of information that conflicts with, nullifies, or is otherwise materially different than that information upon which this Stipulation is based, either Party may withdraw from the Stipulation with written notice to the other Party;

26. The Parties agree that signing this Stipulation will not constrain, inhibit, impair or prejudice their arguments or positions held in other collateral proceedings, nor will it constitute a precedent or evidence of acceptable practice in future proceedings. If the Commission declines to approve the Stipulation in its entirety, then any Party desiring to do so may withdraw from the Stipulation in its entirety without penalty or obligation;

27. This Settlement Agreement shall be interpreted according to South Carolina law;  
and

28. The above terms and conditions fully represent the agreement of the Parties hereto. Therefore, each Party acknowledges its consent and agreement to this Stipulation by affixing its signature or by authorizing counsel to affix his or her signature to this document where indicated below. Counsel's signature represents his or her representation that his or her

client has authorized the execution of the agreement. Facsimile signatures and email signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the original signature pages combined with the body of the document constituting an original and provable copy of this Stipulation. The Parties agree that in the event any Party should fail to indicate its consent to this Stipulation and the terms contained herein, then this Stipulation shall be null and void and will not be binding on any Party.

**[PARTY SIGNATURES TO FOLLOW ON SEPARATE PAGES]**

**Representing the South Carolina Office of Regulatory Staff**



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C. Lessie Hammonds, Esquire

**South Carolina Office of Regulatory Staff**

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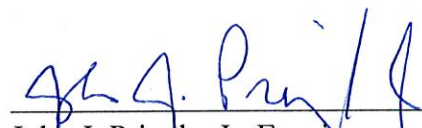
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**Representing SC Lifeline, Inc. d/b/a ClearTalk**

A handwritten signature in blue ink, appearing to read "John J. Pringle, Jr.", is written over a horizontal line.

John J. Pringle, Jr, Esquire

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